



MCI Telecommunications
Corporation

1801 Pennsylvania Avenue N.W.
Washington, D.C. 20006
202 887 2082

Loretta J. Garcia
Senior Regulatory Attorney
Regulatory Law

RECEIVED

SEP 19 1996

Federal Communications Commission
Office of Secretary

cc Docket 96-159

ORIGINAL

September 19, 1996

EX PARTE OR LATE FILED

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 "M" Street, N.W.
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Received
SEP 24 1996
Common Carrier Bureau
Network Service Division
Office of the Chief

Re: Petition for Declaratory Ruling To Impose Competitively
Neutral Guidelines for Numbering Plan Administration
NSD File No. 96-9

Dear Mr. Caton:

On September 16, 1996, MCI Telecommunications Corp. and MCI Metro (collectively MCI) filed Comments in NSD File No. 96-9, the proceeding regarding a petition filed by Teleport Communications Group seeking to ensure neutral administration of Number Plan Area Codes. Those Comments were missing page 5. Attached is an entirely new document which contains all pages, including the missing page. MCI respectfully asks to have this version substituted for the version filed on September 16.

Should you have any questions regarding this filing, please contact Donald Elardo at (202) 887-2006.

Sincerely,

Loretta J. Garcia
Donald J. Elardo

Its Attorneys

Enclosure

No. of Copies rec'd
List A B C D E

015

RECEIVED

SEP 19 1996

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Federal Communications Commission
Office of Secretary

In the Matter of)
)
Petition for Declaratory)
Ruling to Impose Competitively) NSD File No. 96-9
Neutral Guidelines for)
Numbering Plan Administration)

COMMENTS

MCI TELECOMMUNICATIONS CORPORATION

Donald J. Elardo
Loretta J. Garcia
1801 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
(202) 887-2082

Dated: September 16, 1996

TABLE OF CONTENTS

| | <u>PAGE #</u> |
|--|---------------|
| Summary | ii |
| I. The Commission Should Impose Conditions on the Use of "Overlay" Number Plan Area Code Plans | 2 |
| II. It Is Premature for the Federal Communications Commission To Adopt TCG's Proposal for NXX Conservation | 6 |
| III. It Is Also Premature To Adopt TCG's Proposal Regarding Issues To be Addressed When the RBOC's Submit Section 271 Applications | 9 |
| IV. Conclusion | 11 |

SUMMARY

MCI supports TCG's request that the Commission impose conditions on any overlay NPA plans that are adopted. However, MCI believes it is premature for the Commission to act on TCG's requests regarding NXX conservation and the factors to be considered when examining Section 271 applications.

RECEIVED

SEP 19 1996

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Federal Communications Commission
Office of Secretary

In the Matter of)

Petition for Declaratory)

Ruling to Impose Competitively)

Neutral Guidelines for)

Numbering Plan Administration)

NSD File No. 96-9

COMMENTS

MCI Telecommunications Corporation and MCI Metro (collectively, MCI) respectfully submit these comments, pursuant to the Federal Communications Commission's (Commission's or FCC's) public notice asking for comments on a Petition for Declaratory Ruling filed on July 12 by Teleport Communications Group (TCG).¹

TCG asks the Commission: (1) to require that overlay area code plans may not be implemented unless permanent number portability and mandatory 10-digit dialing exist, and that geographic area code splits must be used absent these conditions; (2) to require the implementation of TCG's number conservation proposal, which would permit NXX assignments across multiple rate centers in blocks of one thousand numbers;² and (3) to consider as part of a Regional Bell Operating Company's (RBOC's) application to provide in-region

¹ Public Notice, NSD File No. 96-9, released August 20, 1996.

² The NXX is the first three digits of the seven digit telephone number (NXX-XXXX).

interLATA services pursuant to section 271 of the Telecommunications Act of 1996 (1996 Act) whether numbering resources are available to competing local carriers.

MCI supports, in principle, TCG's petition, as discussed in more detail below.

I. The Commission Should Impose Conditions on the Use of "Overlay" Number Plan Area Code Plans

The Commission is well aware that number exhaust has reached the critical level in major population centers across the country. In the Ameritech order, the Commission examined the use of a "wireless-only" overlay relief plan, proposed by Ameritech to alleviate Number Plan Area (NPA) code exhaust in the Chicago area, and declared several principles for the adoption of overlay relief plans, primarily aimed at preventing their application to only a specific technology or service.³

TCG asks the Commission to preclude the implementation of overlay relief plans in the absence of permanent number portability and mandatory 1+ ten digit dialing. TCG Petition at 14-19. MCI advocated a similar position in its comments in the FCC's dialing parity proceeding earlier this year. MCI Comments, CC Docket 96-98, Phase II, filed May 20, 1996.

In those comments, MCI recommended that the Commission

³ Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech - Illinois, Declaratory Ruling and Order, 10 FCC Rcd 4596 (1995).

modify the Ameritech order by stating that the area code split is the preferred NPA relief plan, and imposing certain conditions on the use of overlay relief plans. MCI argued that, all overlays should be suspect, not just those that discriminate on the basis of technology or service. With the emergence of local competition, an overlay can be used by the incumbent local exchange carrier (ILEC) for discriminatory and anticompetitive purposes. The overlay has the same anticompetitive impact on the competitive LEC (CLEC) whether or not the overlay is service-specific. In either case, the new, less desirable NPA will be assigned to a much higher percentage of the competing carrier's customers than to the ILEC's customers.

The anticompetitive result of the overlay -- especially if implemented without conditions -- is that the CLEC will be trying to enter new markets while offering potential customers less desirable numbers and dialing disparity. This would have a chilling effect on local service competition, at a time when laws and regulations are supposed to be creating an environment for competition.

MCI urged the Commission to impose the following conditions on any overlay plans that are adopted: (1) mandatory 10-digit dialing within and between the old and new NPAs; (2) assignment of all remaining NXXs in the existing NPA to competing carriers; (3) requirement that the RBOC implement permanent local number portability (LNP) at the earliest date

technically feasible;⁴ and (4) substantial mitigation of the cost of interim LNP to CLECs pending implementation of permanent LNP.

MCI noted that, without mandatory 10-digit dialing, the overlay results in anticompetitive dialing disparity between ILECs and CLECs because ILEC customers can continue to dial seven digits within the NPA and are only required to dial 10 digits when calling between NPAs. Since the majority of the numbers will remain in the old NPA -- with the ILEC's customers -- while the majority of the new numbers will be assigned to CLECs' customers, the CLECs' customers will need to dial ten digits for most of their calling, while customers of the ILEC will enjoy seven-digit dialing for most of their calling.

MCI stated that remaining NXXs in the depleting NPA should be assigned to competing carriers so that they would have at least some opportunity to make these more desirable numbers available to their customers. Given the dialing disparity, customers may find numbers in the old NPA more desirable. By the time exhaust is approaching, the RBOC already has assigned nearly all of these numbers to its customers and, therefore, competing carriers should be assigned all NXXs remaining in the NPA. Without such a

⁴ The date for LNP deployment will be governed by the implementation schedule contained in the Commission's recent LNP Order, Telephone Number Portability, First Report and Order and Further Notice of Proposed Rulemaking, FCC 96-286, 11 FCC Rcd (1996).

requirement, ILECs could "hoard" the dwindling supply of NXXs in an NPA facing exhaust so that they can continue to assign the more desirable numbers even after an overlay is implemented.

Portability of the local number is highly significant. Once permanent number portability is implemented, CLECs can easily allow potential customers to keep their existing numbers and area codes without the loss of feature functionality and adverse financial impact associated with interim LNP. However, without local number portability, an overlay situation forces CLECs to require potential customers to switch their area codes as well as their 7 digit numbers. This adds an even greater hurdle for customers to overcome. When the CLEC is facing an overlay situation, it becomes even more critical to be able to offer potential customers the opportunity to keep their 7 digit numbers.

Finally, MCI argued that the costs of interim LNP to new carriers must be substantially reduced or eliminated in order to partially mitigate the competitive disadvantages of an overlay. It noted that the ILECs have attempted to charge CLECs substantial fees for interim LNP measures, which are technically inferior to permanent LNP (resulting in loss of features and functionality, as compared with ILEC services). MCI also stated that once permanent LNP is technically feasible, the ILECs should no longer be able to charge monthly fees for these inferior interim LNP offerings.

Therefore, MCI would support action by the Commission to impose conditions on any overlay NPA plans that are adopted.

II. It Is Premature for the Federal Communications Commission To Adopt TCG's Proposal for NXX Conservation

TCG submits a proposal that it claims will prevent rationing of numbers and forestall NPA exhaust. TCG Petition at 19-23. Its proposal would allow a single NXX code to be used over multiple rate centers.⁵ Under the proposal, a carrier assigned an NXX code would have the option of "spreading that 10,000 number block over many rate centers according to the carrier's specific needs and its customer demand." Id. at 22.

MCI supports, in principle, TCG's concept of being able to employ NXXs over a broader area than is possible today. However, there are significant technical issues raised by TCG's proposal, and other NXX conservation proposals, that require further consideration before any of the proposals can be adopted on a nationwide basis. In a workshop in California on this subject, MCI submitted a proposal which it calls the "Rate Center Consolidation" (RCC) proposal.

MCI's RCC proposal requires that all parties adopt a new set of rate center boundaries which all service providers use. These new boundaries would combine existing rate centers so that, where multiple rate centers currently exist a single one

⁵ TCG White Paper, "The Number Crunch: A TCG Solution," dated May, 1996.

would take its place. As a result, for example, where 70+ rate centers encompass the Los Angeles MSA, a much smaller number of rate centers would encompass the same geography. This would mean that if the new configuration resulted in 20 rate centers, only 20 NXXs per competitor in the LA MSA would be required, rather than the 70+ which would be required today. The extent to which such consolidation would be implemented could be determined by the desires of the state commission and the industry and tailored to satisfactorily ameliorate NPA exhaust. It could be mandated that such consolidation be performed in a manner which minimizes impacts on end users, the impact on revenue streams of the service providers in the State, and whatever other criteria the industry or the Commission wished to have considered.

From a technical perspective, MCI's consolidation approach avoids the technical development issues presented by either the Bellcore Terminating Point Master (TPM) file proposal or AT&T's NXX-X proposal, thereby permitting RCC to be incorporated in the California network more quickly and on a gradual basis. While TPM or NXX-X implementation would necessarily require that all networks be ready before it is implemented, RCC could be implemented gradually and flexibly in only those areas where it was advisable. For example, if NPA exhaust due to the number of competitors and rate centers in 415 was an issue, RCC could be adopted and implemented in 415 while leaving the rest of California uninvolved.

In addition, while the TPM approach requires significant systems development activity associated with billing systems followed by the implementation of these new systems, and the NXX-X approach requires switch development and implementation work prior to its use, the RCC proposal does not require work in either area from a development perspective. MCI acknowledges that there will be implementation issues, such as changes to switch translations tables, an event which happens on a daily basis today. However, the significant lead time for development activities associated with TPM and NXX-X are clearly avoided with RCC. With the RCC approach, the network and its switches would continue to route on an NXX basis -- since the NXX still is assigned to a single rate center.

MCI recognizes that there will be some amount of work required in the development of new rate center boundaries which meet the criteria of the industry and the Commission. There will also be an impact on parties that might be resistant to change. However, there is no better time than now to address these issues. Indeed, the ILECs may find themselves seeking various forms of relief relative to rate center boundaries and local vs. toll calling areas in the near future in response to competition. In addition, failure to address this issue in a comprehensive way as soon as possible will certainly lead to NPA exhaust, to which there is always consumer opposition. Consumers and the industry should recognize that this change is a necessary trade off for the

introduction of competition and the ultimate winner will be the consumer.

It is important to note that MCI's proposal does not foreclose the flexibility for CLECs to adopt different local calling areas than the ILEC. RCC ensures that competitors are able to use number resources in an unambiguous fashion vis-a-vis the incumbent LEC; this reduces the impact of NXX assignment per rate center which is required for interoperation of networks in an environment with LNP and intraLATA competition.

MCI stated that the other proposals for mitigation of the rate center issue are both long-term and costly in nature. The RCC approach is achievable using today's technology and performing switch translations changes which are an everyday occurrence in today's network. Simultaneously, the California Commission can achieve other pro-consumer objectives when new rate center boundaries are drawn. Finally, the RCC approach can be applied expeditiously in only those areas where NPA exhaust issues are of concern.

III. It Is also Premature To Adopt TCG's Proposal Regarding
Issues To Be Addressed when the RBOCs Submit Section 271
Applications

TCG asks the Commission to incorporate into its consideration of whether to allow the RBOCs into in-region, interLATA service an assessment of its number administration responsibilities. TCG Petition at 23-24. TCG essentially

states that there is not effective competition within a service territory that lacks an adequate supply of telephone numbers. Consequently, it concludes, it is appropriate for the Commission to require the RBOC to demonstrate that there is a sufficient quantity of numbers available to competitors before it authorizes the RBOC to provide in-region, interLATA services.

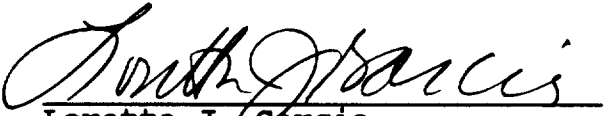
MCI supports this request, to an extent. MCI supports the arguments advanced by TCG that competitively-neutral number administration is an important ingredient toward building effective competition in the local market. It also agrees that the Commission should examine issues related to number administration when an RBOC files a Section 271 application. However, MCI believes that it is premature for the Commission to limit its future consideration of Section 271 applications by announcing in this proceeding precisely what it will examine or the criteria by which it will judge Section 271 applications.

IV. Conclusion

In view of the foregoing, MCI supports TCG's request that the Commission impose conditions on any overlay NPA plans that are adopted. However, MCI believes it is premature for the Commission to act on TCG's requests regarding NXX conservation and the factors to be considered when examining Section 271 applications.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION
MCI Metro

By: 
Loretta J. Garcia
Donald J. Elardo

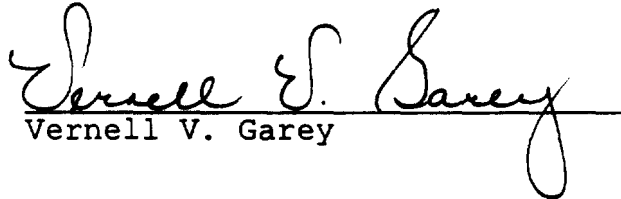
1801 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
(202) 887-2006

Its Attorneys

Dated: September 16, 1996

CERTIFICATE OF SERVICE

I, Vernell V. Garey hereby certify that the foregoing "COMMENTS", was served this 16th day of September, 1996, by mailing true copies thereof, postage prepaid, to the following persons at the addresses listed below:


Vernell V. Garey

*HAND-DELIVERED

International Transcription Service*
1919 M Street, N.W., Suite 214
Washington, D.C. 20554

Teleport Communications Group
Two Teleport Drive
Staten Island, NY 10311-1004